

**LATHAM & WATKINS LLP**

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Attorneys for the Official Committee of Unsecured Creditors

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

In re:	)	Chapter 11
	)	
DELPHI CORPORATION, <u>et al.</u> ,	)	Case No. 05-44481 (RDD)
	)	
Debtors.	)	
	)	Jointly Administered
	)	

**THIRD SUPPLEMENTAL AFFIDAVIT OF ROBERT J. ROSENBERG REGARDING  
THE RETENTION OF LATHAM & WATKINS LLP AS COUNSEL TO THE OFFICIAL  
COMMITTEE OF UNSECURED CREDITORS**

STATE OF NEW YORK     )  
                                      )     ss:  
COUNTY OF NEW YORK    )

ROBERT J. ROSENBERG, being duly sworn, deposes and says:

1. I am a partner in the firm of Latham & Watkins LLP (“Latham & Watkins”), which maintains offices at 885 Third Avenue, Suite 1000, New York, New York 10022, and elsewhere. I am familiar with the matters set forth herein and submit this Third Supplemental Affidavit in support of the retention of Latham & Watkins as counsel to the official committee of unsecured creditors (the “Committee”) appointed in the above-captioned cases.

### **BACKGROUND**

2. On November 17, 2005, Latham & Watkins filed the Application of the Official Committee of Unsecured Creditors For Order Authorizing and Approving the Employment and Retention of Latham & Watkins LLP as Counsel, Nunc Pro Tunc to October 17, 2005 (the “Retention Application”).

3. On November 30, 2005, this Court entered its Interim Order Authorizing Employment and Retention of Latham & Watkins as Counsel for the Official Committee of Unsecured Creditors (the “Interim Order”). The Interim Order approved Latham & Watkins’ retention by the Committee on an interim basis with respect to Delphi Corporation and its affiliated debtors (collectively, “Delphi” or the “Debtors”), and on a final basis with respect to all other parties in interest in these cases.

4. On January 6, 2006, this Court entered an order (the “Final Order”) approving Latham & Watkins’ retention on a final basis.

5. On January 18, 2006, Latham & Watkins filed its First Supplemental Affidavit of Robert J. Rosenberg in Support of the Retention of Latham & Watkins LLP as Counsel to the Official Committee of Unsecured Creditors (the “First Supplemental Affidavit”).

6. On January 23, 2006, Latham & Watkins filed its Second Supplemental Affidavit of Robert J. Rosenberg in Support of the Retention of Latham & Watkins LLP as Counsel to the Official Committee of Unsecured Creditors (the “Second Supplemental Affidavit”).

7. I am filing this Third Supplemental Affidavit (the “Third Supplemental Affidavit”) to disclose certain facts relevant to Latham & Watkins’ retention which have recently come to my attention.

**SUPPLEMENTAL DISCLOSURES IN RELATION TO CERTAIN ATTORNEYS OF  
LATHAM & WATKINS LLP**

8. White & Case, LLP (“White & Case”) serves in these cases as counsel to Appaloosa Management LP and certain of its affiliates, Wexford Capital LLC and certain of its affiliates, and Lampe Conway & Co., LLC and certain of its affiliates (collectively, the “Shareholders”), all of which purport to be significant equity holders of the Debtors. Following the commencement of the Debtors’ chapter 11 cases, certain attorneys associated with, or formerly associated with, White & Case have joined Latham & Watkins (the “W&C Attorneys”).

9. To the best of my knowledge, information, and belief, none of the W&C Attorneys have been involved in any way in White & Case’s representation of the Shareholders. However, out of an abundance of caution, Latham & Watkins has established an ethical wall that screens the W&C Attorneys from any participation in Latham & Watkins’ representation of the Committee. The ethical wall prohibits the W&C Attorneys from discussing any aspect of the Debtors’ cases with Latham & Watkins’ attorneys and personnel providing services to the Committee (the “Committee Staff”), and denies the W&C Attorneys access to any related files or materials.

10. Latham and Watkins has recently hired an attorney (the “Attorney”) whose prior firm performed certain services for the Royal Bank of Canada. In connection with his duties, the Attorney may have obtained limited confidential information concerning certain transactions which indirectly involved the Debtors. The Attorney is not a member of the Committee Staff. Latham & Watkins has established an ethical wall that screens this Attorney from any participation in Latham & Watkins’ representation of the Committee. The ethical wall prohibits this Attorney from discussing any aspect of the Debtors’ cases with the Committee Staff, and denies the Attorney access to any related files or materials.

**SUPPLEMENTAL DISCLOSURES IN RELATION TO CERTAIN OF LATHAM &  
WATKINS LLP'S CLIENTS**

11. Flextronics International Asia-Pacific, Ltd. ("Flextronics") formerly acted as co-chair of the Committee, and resigned from the Committee on February 2, 2006. Since filing the Second Supplemental Affidavit, Latham & Watkins has been asked to represent a client with respect to a possible joint venture agreement with Flextronics (the "Potential JV Matter"). The Potential JV Matter is wholly unrelated to the Debtors and these cases. The Latham & Watkins attorneys and personnel providing services in relation to the Potential JV Matter are different from the Committee Staff.

12. Hogan & Hartson, LLP ("Hogan & Hartson") acts as one of the Debtors' retained professionals in connection with these cases. Since filing the Second Supplemental Affidavit, Latham & Watkins has been asked to represent Hogan & Hartson in connection with a matter wholly unrelated to the Debtors and these cases. The Latham & Watkins attorneys and personnel providing services to Hogan & Hartson are different from the Committee Staff.

13. Mesirow Financial Consulting, LLC ("Mesirow") acts as financial advisor to the Committee in connection with these cases. Since filing the Second Supplemental Affidavit, Latham & Watkins has undertaken a matter for an entity engaged in negotiating a sale-leaseback transaction with an affiliate of Mesirow (the "Leaseback Negotiation"). The Leaseback Negotiation is wholly unrelated to the Debtors and these cases, and the Latham & Watkins attorneys and personnel providing services in connection with the Leaseback Negotiation are different from the Committee Staff.

EXECUTED this 14<sup>th</sup> day of June, 2006 at New York, New York

/s/ Robert J. Rosenberg  
Robert J. Rosenberg

Sworn to before me this  
14<sup>th</sup> day of June, 2006

/s/ John W. Weiss  
John W. Weiss  
Notary Public, State of New York  
No. 02WE6113201  
Qualified in New York County  
Commission Expires July 26, 2008